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*Attorneys for Steven P. Kartzman, Chapter 7 Trustee*

In re:	<b>UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY</b>
<b>ELAINA LIVA,</b>	Case No. 19-25392 (RG)
Debtor.	Chapter 7
	Honorable Rosemary Gambardella

**APPLICATION FOR ENTRY OF A CONSENT ORDER RESOLVING  
CARVE-OUT FROM PNC BANK, N.A. FOR THE BENEFIT OF THE ESTATE**

**TO: THE HONORABLE ROSEMARY GAMBARDELLA  
UNITED STATES BANKRUPTCY JUDGE**

Steven P. Kartzman, the Chapter 7 Trustee (the “Trustee”), by and through his attorneys Mellinger Kartzman LLC, hereby applies to this Court for entry of a Consent Order resolving a Second Mortgage held by PNC Bank, N.A. (the “Second Mortgage”) for the Benefit of the Estate (the “Consent Order”), and in support thereof, respectfully states:

1. On August 8, 2019, the debtor, Elaina Liva (the “Debtor”), filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code.
2. On August 9, 2019, Steven P. Kartzman was appointed to serve as the Chapter 7 Trustee, with the duties described in 11 U.S.C. § 704.
3. The Trustee has been engaged in the process of selling the Debtor’s property located at 37 Sherwood Downs, Park Ridge, NJ (the “Property”).
4. The Trustee obtained a title search of the Property and discovered a second mortgage which had been recorded as a lien against the Property held by PNC Bank, N.A.

(“PNC”) against Elaina Liva a/k/a Elaina Maria Gulino a/k/a Elaina Gulino a/k/a Elaina G. Liva, which lien was recorded on January 14, 2004 by the Bergen Country Clerk in Book No. 13252 at Page No. 0259 (the “Second Mortgage”).

5. The Trustee entered into negotiations with PNC, and an agreement was reached which resolves the amount to be paid to PNC to discharge the Second Mortgage.

6. To avoid the cost of litigation and to maximize the benefit to the estate, the Trustee and PNC have entered into the proposed consent order submitted simultaneously herewith (the “Consent Order”), and the Notice of Proposed Settlement filed on April 26, 2021. [Dkt. No. 91].

7. Pursuant to the pertinent terms of the Consent Order, the Trustee shall pay the sum of \$23,500.00 to PNC rather than the full amount due, in the sum of \$31,588.00, upon the last to occur of entry of the Consent Order or issuance of a Certification of No Objection, from the proceeds on the closing of the sale of the Debtor’s Property. PNC will release its Second Mortgage following receipt of payment. PNC shall be permitted to file a deficiency claim as a general unsecured claim, and will be paid a dividend accordingly.

8. The Trustee believes that the settlement is in the best interests of the estate as it will avoid the necessity of fees, expense, and delays attendant with further litigation.

9. No prior application for the relief requested herein has been made to this or any other court.

WHEREFORE, the Trustee requests the entry of the Consent Order in the form and manner as submitted to the Court.

Respectfully submitted,

**MELLINGER KARTZMAN LLC**  
*Attorneys for Trustee, Steven P. Kartzman*

By:   
STEVEN A. JAYSON

Dated: May 3, 2021